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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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Federal Communications Commission
Office of Secretary

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In the Matter of)
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Federal-State Joint Board on)
Universal Service)
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CC Docket No. 96-45

COMMENTS OF THE
PUBLIC SERVICE COMMISSION OF THE
DISTRICT OF COLUMBIA

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December 16, 1996

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**COMMENTS OF THE
PUBLIC SERVICE COMMISSION OF THE
DISTRICT OF COLUMBIA**

I. INTRODUCTION

On November 7, 1996, the Federal-State Joint Board on Universal Service ("Joint Board") adopted a Recommended Decision proposing changes to the existing universal service support mechanisms employed by the Federal Communications Commission ("Commission").¹ The Joint Board was convened in accordance with the Telecommunications Act of 1996 ("1996 Act"),² which calls for formulation of a new set of universal service support mechanisms necessary and appropriate for the protection of the public interest, convenience, and necessity.³ The Public Service Commission of the District of Columbia ("DC PSC"), pursuant to the Commission's Rules of Practice and Procedure, 47 C.F.R. §§ 1.49, 1.41, and 1.415 (1995), hereby submits comments in response to the Recommended Decision.

II. COMMENTS

The DC PSC is generally in support of the Joint Board's Recommended Decision.

With respect to universal service support for health care providers, the Joint Board noted that Sections 254(c) and 254(h) of the 1996 Act add health care providers serving rural areas to the list of entities that may benefit from universal support service. In light of insufficient information in the record to make a recommendation on the exact scope of services that should be supported for the benefit of rural health care providers, the Joint Board recommended that the Commission seek additional information on this subject prior to issuing final rules.⁴

The DC PSC believes that universal service support for health

¹ Recommended Decision by the Federal-State Joint Board on Universal Service, CC Docket No. 96-45, FCC 96J-3 (released November 8, 1996).

² 1996 Act, Pub. L. No. 104-104, 110 Stat. 56. The 1996 Act amends the Communications Act of 1934, 47 U.S.C. §§ 151 et seq.

³ 47 U.S.C. § 254(a)(1).

⁴ Recommended Decision at ¶10.

care providers should not be limited to those providers in rural areas. The test for eligibility should encompass health care providers defined as economically disadvantaged⁵ as well as those in high-cost areas, irrespective of whether they are located in rural or urban areas.

Specifically, a means test should be used to determine which health care providers are eligible for universal service support, rather than basing eligibility merely on a geographic measure. Some health care providers located in urban areas are in great need of universal service support in the manner recommended for rural providers. This is particularly true for publicly owned facilities which serve low-income residents who do not have adequate health insurance coverage. Such health care providers may need support to be able to afford even the urban rate.

To determine which health care providers are eligible for universal service support, the Commission should employ a scheme similar to that recommended by the Joint Board for schools and libraries. Similar to the schools and libraries, the criteria for eligibility, and the amount of universal service support, given health care providers should be based on need rather than location.

With respect to schools and libraries, the Joint Board concluded that all eligible schools and libraries should receive discounts of 20 to 90 percent on all telecommunications services, Internet access, and internal connections, subject to a \$2.25 billion annual cap. The Joint Board recommended further that economically disadvantaged schools and libraries, as well as those located in high cost areas, should receive greater discounts to ensure that they have affordable access to telecommunications and information services.⁶ A percentage discount mechanism was recommended, with the range of discounts correlated to indicators of economic disadvantage and high cost.⁷ The Joint Board concluded that access to telecommunications and other covered services should not increase existing disparities between economically

⁵ "Economically disadvantaged" health care providers could be defined as those which disproportionately serve persons who, because of their income or insurance status, do not have access to privately funded health care. The definition could encompass, for example, those health care providers which serve a large proportion of clients who are uninsured or are eligible for Medicaid or Medicare, as well as publicly owned institutions and privately owned facilities which receive a large proportion of their operating budget from public or charitable sources.

⁶ Id. at ¶ 440.


⁷ Id. at ¶ 547.

disadvantaged students and their more affluent peers.⁸

Similarly, the DC PSC believes that access to telecommunications and other covered services should not increase the existing disparities in the provision of health care services between persons served by economically disadvantaged health care providers and their more affluent peers. Therefore, the Commission should act to extend universal service support to health care providers that are economically disadvantaged or located in high-cost areas. Self-certification requirements similar to those recommended for schools and libraries could be applied to health care providers — whether located in urban or rural areas — to ensure that only eligible entities receive universal service support and to assure compliance with all other Commission rules on universal service. Similarly, competitive bidding requirements for the provision of telecommunications services would ensure that eligible services are supplied at the lowest available price.

WHEREFORE, the DC PSC respectfully submits these comments in response to the Recommended Decision adopted November 7, 1996 by the Federal-State Joint Board on Universal Service.

Respectfully submitted:

By: 

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Dated: December 16, 1996

⁸ Id. at ¶ 561, citing Public Advocates Inc. comments at 18-19; AFT further comments at 3-4; National Coalition for the Homeless further comments at 8.

CERTIFICATE OF SERVICE

I hereby certify that copies of the aforementioned "Comments of the Public Service Commission of the District of Columbia" were mailed, postage prepaid, this 16th day of December, 1996, to all parties on the attached service list.

A handwritten signature in dark ink, appearing to read "L. D. Crocker, III", written over a horizontal line.

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